



CITY OF DALLAS

March 24, 2005

Mr. Ronald Slovacek
Kiest General, LLC
318A Dallas Drive
Dallas, TX 76205

Re: Single-family Participation/Contract Documents

Dear Mr. Slovacek:

On February 23, 2005, the City Council Approved an amount of \$883,250 for the Single-Family Bond Infrastructure Proposal for the Cedar Crest Square project, assuming program criteria are met. The following documentation and/or information are required by the Department prior to execution of the Participation Agreement and the Contract. Please provide the following if not previously provided or if documents have changed:

- Market Study
- Environmental Study
- Appraisal
- Articles of Incorporation/Bylaws
- Board of Directors
- Compliance information (on properties owned or developed) Status of all city and county taxes; any code violations
- Federal Income Tax returns
- Tax ID number
- Development/General Partnership financial history
- Completed Good Faith Effort documentation package for Schedule I improvements (City participation only)
- Completed Certification of Application
- Receive City approval of licensed Engineer/PE and/ or consulting firm to be used
- All projects are required to comply with the Storm Water Pollution Prevention requirement. A copy is included.

Additional items required to comply are outlined in paragraphs 1 and 2 below; the forms are included with this letter:

1. Participation Agreement

This agreement is to be entered into by the City and the Developer. Project construction must start no later than September 30, 2005 in order to meet City requirements. It provides the amounts of money to be contributed by the City and the terms to be complied with by the Developer. The Agreement includes the requirement that the Developer comply with applicable construction standards and laws, including minimum wage requirements.

The Participation Agreement provides that the Developer will enter into the City's standard Private Development Contract, which is attached as Exhibit A. The Deed Restrictions are attached as Exhibit B.

The disbursement provisions are detailed in Appendix A to the Agreement. The City has the right to audit Developer's records, and Developer is required to retain records for 3 years after completion of the project.

The Participation Agreement incorporates the following provisions from the City's standard public works construction contract package, together with required forms as applicable:

- a. Required sign at site
- b. Wage rates
- c. Nondiscrimination and equal employment opportunity
- d. Neighborhood job opportunities
- e. Drug-free jobsite
- f. Hazardous chemicals at the jobsite
- g. Worker's compensation
- h. Construction stakes
- i. Conflict of interest
- j. Additional forms

2. Deed Restrictions

This document is to be recorded for the platted lots in the development. The deed restriction are the mechanism for ensuring that the required number of homes in the development is sold to qualified buyers to meet the Program's requirements, deemed to be "Qualified Lots".

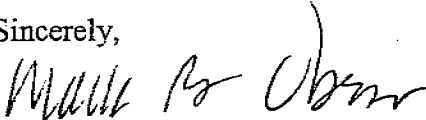
March 24, 2005
Participation Agreement/Contract
Page 3

As an Individual Lot is sold to a homeowner, the Deed Restrictions for that lot are released, unless an insufficient number of lots so far designated to be Qualified Lots, plus the number of Lots remaining unsold, would be less than the required number of Qualified Lots for the Development.

The Deed Restrictions provide the process for the Developer to cause a particular lot to be deemed a Qualified Lot, including the purchaser meeting income requirements, the sale price reflecting a pass-through of the requisite saving to the purchaser and the home meeting the minimum design requirements of the program.

If you have questions or require assistance during this process, please contact Terry Williams, Nonprofit Development Manager at 214-670-4648.

Sincerely,



Mark G. Obeso, Assistant Director
Housing Department

C: Jerry Killingsworth, Director
Terry Williams, Nonprofit Development Manager

050690
February 23, 2005

WHEREAS, the City of Dallas seeks to increase the supply of new affordable housing for low and moderate income and working individuals and families in order to attract and retain economic growth; and

WHEREAS, On June 23, 2004, the Dallas City Council authorized issuance of a Request for Applications (RFA) under the Single-Family Housing Infrastructure Development Bond Program to solicit proposals from developers to build street and alley infrastructure improvements, including incidental drainage improvements, for new low- to moderate-income single-family subdivisions, contingent on the availability of future bond proceeds; and

WHEREAS, On July 2, 2004, the Housing Department issued a RFA seeking applications from developers to build infrastructure improvements for new mixed-income single-family subdivisions and applications were received on November 12, 2004; and

WHEREAS, On January 6, 2005, the Single-Family Infrastructure Review Committee recommended approval of four responsive applications; and

WHEREAS, On January 18, 2005, the Housing and Neighborhood Development Committee recommended approval of four (4) projects for bond funding under the Single-Family Infrastructure Participation Program for use of \$2,202,135 in 2003 General Obligation Bond funding for single-family development; **NOW THEREFORE**;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

Section 1. That the City Council of the City of Dallas hereby authorizes the use of \$2,202,135 in 2003 General Obligation Bonds for four (4) projects recommended for funding on the schedule attached as "Exhibit 1".

Section 2. That the City Manager or her designee, upon approval as to form by the City Attorney, is hereby authorized to execute a participation agreement and a private development contract, including the applicable specifications, with each of the four (4) vendors recommended for award, subject to each vendor entering into and recording deed restrictions acceptable to the City Attorney's Office. The deed restrictions will require that, as to each project, the indicated number of lots will be sold to low and moderate income households with the indicated subsidies passed through to the purchasers as shown on Exhibit 1.

APPROVED _____
HEAD OF DEPARTMENT

APPROVED _____
CITY CONTROLLER

APPROVED _____
CITY MANAGER

4

February 23, 2005

Section 3. That the Controller is hereby authorized to encumber and disburse funds in accordance with the terms and conditions of the contracts as follows:

Fund 3R21, Agency PBW, Org R873, Obj 4210, PD HOUR873D038, \$219,178
Vendor #518078, Garden Grove Development Group

Fund 3R21, Agency PBW, Org R873, Obj 4210, PDHOUR873D039, \$ 19,636
Fund 4R21, Agency PBW, Org R873, Obj 4210, \$733,770
Vendor #518198, Klingman Development Company

Fund 4R21, Agency PBW, Org R873, Obj 4210, PDHOUR873D040, \$346,301
Vendor #518132, Mooreland Development

Fund 4R21, Agency PBW, Org R873, Obj 4210, PD HOUR873D041, \$883,250
Vendor # 518124, Kiest Blvd, LP

Section 4. That this resolution shall take effect immediately from and after its passage in accordance with the charter of the City of Dallas, and it is accordingly so resolved.

DISTRIBUTION:

Housing Department ✓
City Attorney's Office
Office of Financial Services/Community Development, 4FN

APPROVED BY
CITY COUNCIL

FEB 23 2005

Shirley Grey
City Secretary

APPROVED

HEAD OF DEPARTMENT

APPROVED

CITY CONTROLLER

APPROVED

CITY MANAGER